

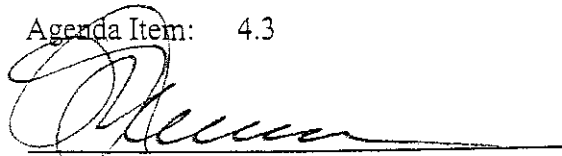
State of California
Business, Transportation and Housing Agency
Department of Transportation

POLICY MATTERS
Demand and Capacity for State-Only
Funding in the STIP
Action Item

Prepared by:
Jim Nicholas
Program Manager,
Transportation Programming Program
(916) 654-4013

CTC Meeting: March 28-29, 2001

Agenda Item: 4.3



W. J. EVANS, Deputy Director
Finance
March 16, 2001

DEMAND AND CAPACITY FOR STATE-ONLY FUNDING IN THE STIP

ISSUE

When the Commission adopted the 2000 State Transportation Improvement Program (STIP) in December 2000 with Resolution G-00-32, it extended the existing State-only funding policy through March 2001. The intent was to allow time for the Department to determine the future capacity for State-only funding and for the Department and regional agencies to review the estimated demand for State-only funding and the types of projects that should receive priority for available State-only funding.

RECOMMENDATION

The Department recommends the Commission extend the current State-only funding policy which utilizes the criteria specified in the Caltrans State-only funding policy dated December 2, 1998, until the adoption of the 2002 STIP. That would allow all projects currently programmed with STIP funding of \$750,000 or less to receive State-only funding. All new STIP projects, regardless of cost, and any currently programmed projects greater than \$750,000 that want State-only funding would need to follow the Department's State-only funding exception process, unless categorically exempted by the policy. As part of the 2002 Fund Estimate development process, the Department will compare projected revenues with the statewide needs and revisit the State-only funding policy.

BACKGROUND

At the December 6, 2000 California Transportation Commission (CTC) meeting, the Commission adopted Resolution Number G-00-32, which states:

"...it is the Commission's policy that State-only funding be provided for all projects meeting the criteria specified in the Caltrans State-only funding policy presented to the Commission in December 1998, which generally includes local projects under \$750,000 and that, until March 31, 2001, State-only funding also be provided for all local rehabilitation projects, regardless of cost, and;..."

"...the Commission intends, in consultation with Caltrans and regional agencies, to review State policy for State-only funding by March 2001, considering the number and types of projects identified in the RTIP's and ITIP for State-only funding, the need to match Federal funds in the STIP, and the potential impact of the Traffic Congestion Relief Act exchange program..."

Until the 2002 STIP Fund Estimate is more fully developed, the Department will be unable to recommend a longer term State-only funding policy to the Commission. However, the Department is satisfied that State revenues will be sufficient to allow continuation of the existing policy, as outlined in our recommendation, between now and adoption of the 2002 STIP.